

Congressman Bright Supports Bill to Cut Taxes for Small Businesses, Create Jobs

WASHINGTON, DC – Today, Congressman Bobby Bright voted for the Hiring Incentives to Restore Employment (HIRE) Act, a bill designed to help create jobs by cutting payroll taxes for businesses and investing in new surface transportation projects. H.R. 2847 contains legislation sponsored by Congressman Bright to increase tax deductions for small business expensing. Small businesses would be able to deduct a greater amount for capital expenses such as new technology and equipment, allowing them to grow and expand even in a tough economy. The HIRE Act is fully paid-for, and is similar to bipartisan legislation passed by the Senate last week.

“The HIRE Act is what I’ve been calling for- smart, sensible, and paid-for legislation that will help small businesses put Americans back to work,” Bright said. “I am extremely pleased my legislation to extend tax breaks for small businesses was included in this bill. These tax breaks for capital expenses have been successful in helping businesses grow and expand even during a tough economy. Additionally, I believe providing incentives for businesses to hire new workers will have a positive impact on job growth. Perhaps most importantly, the HIRE Act is fully paid for and does not add to the deficit, ensuring that future generations are not burdened with additional debt.”

Specifically, the HIRE Act would:

- Exempt employers from paying payroll taxes (6.2% for the first \$106,800 of wages) for previously unemployed workers hired between February 3rd, 2010 and the end of the year.

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Provide a \$1,000 tax credit for each new employee hired under this program who remains employed longer than a year.

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Extend additional small business expensing for certain capital expenses occurred in 2010 (Bright's legislation).

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Allow an extension of highway funding through the end of the year. The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), which authorizes highway projects across the country, would expire at the end of the month without action. It is estimated that the Alabama Department of Transportation (ALDOT) will receive over \$800 million in highway funds once differences are worked out between the House and Senate.

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Provide direct payments for certain tax credit bond programs, making it easier for state and local governments to complete school construction and renewable energy projects.

"States across the country are having trouble meeting their infrastructure obligations, and Alabama is no exception," Bright said. "This bill will provide state departments of transportation with the necessary funds to continue important highway projects. Without extending the authorization, thousands of workers could remain without jobs, and the safety and quality of our roads could be in jeopardy. It was absolutely necessary to pass an extension for highway projects."

The HIRE ACT is Pay-As-You-Go compliant, and is fully paid for by delaying implementation of changes in the tax code for foreign subsidiaries of multi-national corporations and closing loopholes that allow for foreign tax shelters.

"It's unfortunate that the HIRE Act became a partisan issue to so many," Bright said. "Its provisions have bipartisan support, and nearly every member should have been able to vote for this legislation."

As I’ve said before, we work better when we work together. This would have been a great opportunity for us to work together on behalf of our constituents.”